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2 have been is in the Federated case. It's been
3 quite a few years ago. I can't remember all the
4 specifics that I would have been involved in.
5 There may have been some proofs of claim that were
6 substantial enough that we didn't need to talk and
7 plan for discovery, but that's sort of faded from
8 my memory.

9 Q. And so I take it, it didn't form or
10 help you form any of the opinions that you have
11 expressed in Lipps No. 1?

12 A. No.

13 Q. What do you understand claims
14 estimation proceedings to be?

15 A. I'm not a bankruptcy lawyer, so I
16 may not get it right, but I understand it's part
17 of a plan process. It's an effort to try and
18 establish or estimate an amount that would be set
19 up to deal with a group of claims or potential
20 claims, and I did have -- it's been a while since
21 I've looked at it, but I did have early on in the
22 bankruptcy an opportunity to look at what was
23 occurring in the Lehman case with respect to the
24 estimation of -- I think it was an RMBS claims,
25 actually.

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2 Q. And what about -- what, if
3 anything -- let me withdraw that question.

4 In forming the opinions expressed
5 in Lipps No. 1, how did you factor in any
6 knowledge you had with respect to estimation
7 proceedings, if any?

8 A. As specifically relates to FGIC, I
9 didn't specifically discuss, as you can read,
10 estimation proceedings. I know I became a little
11 bit more familiar with them, and particularly the
12 Lehman, in the context of the declaration that I
13 offered or declarations that I offered in context
14 with the 9019 for the RMBS trust settlement, and I
15 know I offered opinions with respect to costs
16 there. And I didn't find anything associated with
17 the estimating proceeding, something that would
18 cause me to ratchet back my views on the
19 estimating -- or on the costs associated with
20 litigating those claims. So I naturally didn't go
21 backwards and try and see if this would affect
22 that. I saw that the scope of discovery would be
23 sufficient, even in a compressed time, and the
24 preparation associated with it, that that cost
25 could be supported -- or my opinion could be

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2 supported in those costs.

3 Q. And do you express those views at
4 all in Lipps No. 1?

5 A. What I've just said?

6 Q. Yes. That estimation would have no
7 impact on your views with respect to the costs
8 associated with litigating the claims that are
9 resolved in the FGIC Settlement Agreement?

10 MR. KERR: Objection.

11 A. Well, I still think in the
12 estimation process you have to address these
13 issues. It may be in a more compressed time
14 period, but you still have got the discovery that
15 leads up to it. In my experience, it's fairly
16 massive discovery, and it will be in a more
17 compressed time, but a lot of discovery is going
18 to happen which is, I think, what you see in the
19 foundation of my costs being essentially what the
20 demands are in connection with the discovery
21 associated with this.

22 Q. Did anybody ask you to prepare a
23 budget for what it would cost to litigate the
24 claims that are being resolved in the FGIC
25 Settlement Agreement?

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2 A. No.

3 Q. And did you form any views as to
4 the costs?

5 MR. KERR: Objection.

6 A. Well, I offered views on -- I
7 offered my opinion with respect to the costs
8 associated with prosecuting and/or defending these
9 claims. If you're asking me if I quantified a
10 dollar amount, no, I never did that.

11 Q. And did you quantify a range?

12 A. In my declaration I don't think I
13 put a range in, as I recall, or a specific dollar
14 amount. I may have in some of my earlier
15 declarations, particularly when I talked about
16 that the judge utilized in the Western and
17 Southern decision. I may have put some numbers in
18 there associated with restoration of e-mails
19 and/or retrieval and review of loan files, and I
20 probably had some numbers associated with hosting
21 documents in the course of discovery preparation.
22 So I think --

23 Q. That's not expressed in Lipps No.
24 1?

25 A. Not specifically.

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2 Q. When was the first time you
3 reviewed the claims that either FGIC or the FGIC
4 wrapped trust asserted against ResCap, LLC?

5 A. When was the bar date? Probably
6 about the bar date.

7 Q. And what do you understand to be
8 the nature of the claims that those entities have
9 asserted against ResCap, LLC?

10 A. I understand them to be in the
11 nature of aiding and abetting and piercing the
12 corporate veil.

13 Q. And do you understand alter ego
14 claims might also have been asserted?

15 A. Yes, alter ego. I'm sorry I think
16 of piercing --

17 Q. Sure.

18 Did you perform any analysis of
19 those claims in connection with forming the
20 opinions you expressed in Lipps No. 1?

21 A. I did not get down into an
22 allocation and an assessment of allocation at
23 various entity levels. I was looking at the
24 aggregate. I was looking at the aggregate of the
25 claims that were being released. But, I mean, I

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2 have at different times looked at aiding and
3 abetting claims, alter ego, piercing the corporate
4 veil.

5 Q. As they relate to claims asserted
6 by RMBS claimants against ResCap, LLC?

7 A. Yes.

8 Q. I'm going to come back to that in a
9 second. With respect to Lipps No. 1, though, you
10 note in footnote No. 3 that the underlying fraud
11 claims and misrepresentation claims are beyond the
12 scope of your report. Right?

13 MR. KERR: Objection.

14 A. I don't know that I said they're
15 beyond the scope of it. I think I said I could
16 look at the riskier claim, the rep and warranty
17 claim, at least I think that's the way I described
18 it, and support my conclusion with an analysis of
19 that.

20 Q. Okay. And so did you perform any
21 analysis of any tort-based claims in forming the
22 opinions expressed in Lipps No. 1?

23 A. Beyond what I put in that footnote,
24 no.

25 Q. And you don't mention aiding or

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2 abetting, piercing the corporate veil or alter ego
3 anywhere in Lipps No. 1. Why is that?

4 A. For purposes of offering my
5 opinion, I didn't need to concern myself with
6 allocation between the various entities.

7 Q. Why do you say that?

8 A. I was more interested in what
9 claims were being released and who was being
10 released of those claims. And as I understood it
11 ResCap, GMAC Mortgage, RFC were receiving releases
12 from FGIC of all claims that they could have
13 against them and from the trustees on the
14 origination-based claims.

15 Q. Do you express anywhere in Lipps
16 No. 1 your views of the costs for ResCap, LLC, to
17 litigate aiding and abetting, piercing the
18 corporate veil and alter ego claims?

19 A. I did not specifically isolate
20 costs associated with litigating those issues.

21 Q. And do you express anywhere in
22 Lipps No. 1 any risks associated with ResCap, LLC,
23 litigating aiding and abetting, piercing the
24 corporate veil and alter ego claims?

25 A. Yes, I would say I do.